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Industrial Horizons

How Montana Is Planning for Industrial Development

From Plentywood to Dillon, from Ekalaka to Kalispell, Montanans have asked the State Planning Board, "How is the industrial development of our state progressing? How are we working, how are we planning, for our industrial growth?"

Many ask because, like the editor of the Havre Daily News, they believe, "We must pursue with fervor the desire to bring new industry in or develop our own from the ground up." Others ask for a different reason. They worry, "Will increased industry destroy our clean air, our hunting and fishing spots, our recreational areas?"

Because of this interest, because of these questions, we have prepared a special report for the residents of Montana on what efforts are being made within our state for our industrial development. This is the job, as established by our State Legislature, of the State Planning Board. But it also is a job in which our railroads and utilities, our present manufacturers, our service clubs, our Chambers of Commerce, also are participating. And it is a goal toward which every individual in the State—interested in the growth of Montana—can help these groups work.

The story of industrial development in The Land of the Shining Mountains is a big one. This is partly so because—while Montanans are interested in ensuring for each of the residents of this State a fair and a stable income—they are not interested in the indiscriminate growth of industry.

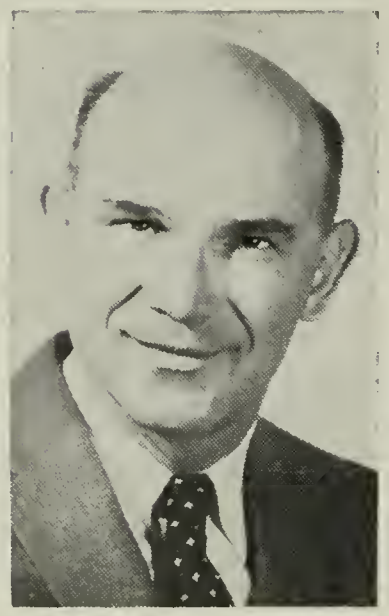
In this short space it is not possible to explain in great detail each of the jobs that have been undertaken. Nor is it possible to attempt a detailed evaluation of these efforts.

We can only say that past experiences have indicated that a reasoned program—carried forward with enthusiasm and determination—has worked for us in the past and will, we believe, work for us in the future. Your suggestions, your questions, your opinions about these programs are welcomed.

How is Montana working and planning for industrial development?

Let us examine, first, the role of the Montana State Planning Board.

The Role of the State Planning Board . . . .



E. O. Sowerwine, Jr., son of a pioneer Montana couple, has been director of the Montana State Planning Board since July, 1959. A graduate engineer, Sowerwine has worked for Socony-Vacuum Oil Company, Merck and Company, U. S. Industrial Chemicals and Wigton-Abbot Corporation, a Newark, New Jersey consulting engineering firm and has worked with Montana firms as business consultant. He discusses the functions of the State Planning Board, primarily those dealing with industrial development activities.

Q. The present Montana State Planning Board is a relatively new agency, being reactivated by the Legislature on July 1, 1955.

Just what does the Legislature empower it to do?

A. The Legislature regards the State Planning Board as an agency designed to give assistance, as the law points out, "in solving the complex problems of Montana, thereby effecting more immediate stabilization of the agricultural, livestock, mining and other industries of the state and bringing about a more efficient economy and fuller use of the manifold resources of Montana." The law further suggests the Board should serve to further "the social and economic advancement of the people of the state." To carry out this broad program, we have an annual appropriation of $50,000 and a staff of six. The staff works under a five-man Board appointed by the Governor and is guided in its long-range programs by an Advisory Council composed of men of achievement from throughout the state who are interested in Montana's industrial development.

Q. What are some of the specific ways in which the Board works toward "the social and economic advancement of the people of the state?"

A. Our efforts are primarily directed toward the economic advancement of the people of Montana although social and economic advancement generally are coincident. We are interested in all industries, but place our emphasis where it will do the most good per dollar of our expenditure.

We concentrate on basic industries, which bring dollars into or keep dollars from leaving Montana since each dollar brought in by basic industry supplies 2-3. to keep our dependent service industries active.

Agriculture, our major basic industry, can improve primarily through research into improved farming methods. We encourage here, but our small budget would be lost in the total effort being exerted by the Extension Service, the School of Agriculture and others. We cooperate but exert little of our effort directly. We aid primarily in working to develop processing methods to upgrade present or potential agricultural products by manufacturing.

Manufacturing is Montana's second most important industry, dollarwise. This is where most of the Board's effort goes and must continue to go, as this offers the State its best opportunity for economic progress.

However, since industrial development is dependent in part on the ability of our communities to provide attractive living conditions, the Board also is interested in a broad program of community development. We worked for the passage of a City-County Planning Law by the Legislature, and administer the Urban Planning Assistance program of the Housing and Home Finance Agency. We also guide and administer the Small Business Administration's annual grant of $40,000. (available to each state) to study small business problems.

Mining, our traditional state industry, is losing ground steadily. Since this is controlled by factors beyond our control and since, again, our budget is too small to be effective in comparison to that of the School and Bureau of Mines, our role is one of encouragement and coordination with other Montana industries. Here, too, research is the primary key to progress.

Tourism, the fourth largest of our primary basic industries, is specifically handled by the State Advertising Department. Our role here, other than direct encouragement where possible, is one of coordination with other industries and with Montana economy in general. For instance, we are currently studying and promoting a closer relationship between Montana arts and crafts producers for the retail outlets who cater to the tourist trade. We believe the average tourist to Montana would prefer to purchase souvenirs "Made in Montana." We are expending considerable effort to capture for Montana the many extra dollars that this tourist buying generates, and in addition, provide more employment for Montanans.

Then, of course, there is a wide variety of miscellaneous but related activities which we also carry on—sponsoring meetings designed to help with industrial or community development in Montana, furnishing literature and movies on these subjects to interested individuals, handling over 3,000 pieces of correspondence which come into our office each year on a wide range of subjects, coordinating research and other state programs, and so on.

Q. Could you tell us a little more about the industrial activities of the Board?

A. Our activities in this area are very diverse. However, I would say that our efforts toward industrial development are directed toward one of these three goals: 1. The expansion of existing industry; 2. The conservation for wise use of our natural resources; and 3. The establishment of new industry. Primarily, we are interested in increasing the per capita income of Montanans both for now and the future.

We are, of course, interested in helping with the expansion of existing Montana industry and therefore work with established firms looking for new markets and in developing potentials for their expansion through diversification in related products. Since both the director and the assistant director of the Board are graduate engineers, we have been able to provide assistance on technical and management problems. This type of work is done both through personal contacts and through correspondence.

Whenever possible, we also make personal contact with out-of-state companies which have expressed an interest in locating in Montana, or ones we feel would make a contribution to our economy and be successful in our state. Toward that goal we maintain files containing information on our economy and specific potentials, as well as gathering specific information when required by an industrial prospect. We arrange meetings with businesses, government and community representatives relative to location matters—for example, in Red Lodge recently—and are actively trying to promote the establishment throughout our state of local industrial development corporations.

Though our budget limits the amount of advertising we are able to do to attract new industry, we are attempting to reach an ever growing list of potential industries for our state through increased circulation of our monthly newsletter, INDUSTRIAL HORIZONS. We are inaugurating a special data sheet about Montana's resources for those companies receiving our newsletter which are engaged in plant location services. Current information on industrial sites and buildings is maintained by this office and, of course, we work continually to coordinate industrial development efforts by all of the many groups interested in Montana's growth.

Q. Besides these general projects, is the Board carrying on any special projects at the present time?

A. Yes, we often have special projects designed to fill a particular need at a particular time. At the present, besides work in all the areas I have mentioned, we are beginning the compilation of a major products survey of Montana-made products. Questionnaires are being sent out to all Montana manufacturers, asking for detailed information about the products which they make as well as the raw materials which they use. This information will be compiled and analyzed to determine potential markets for Montana-made products as well as expansion possibilities for our companies.

We also have been compiling a list of all organizations in the state interested in industrial development and will work toward helping those groups in meeting their special problems. And we have been active in helping to establish two committees recently—one to coordinate and analyze water information about our state, information that is important for potential industries, and another committee set up to help in marketing Montana-made are art and craft goods.

A native of Montana and graduate of Montana State University, John Willard, as director of the Montana Railroad Association has been asked to discuss the role the railroads have been playing in the industrial development of Montana. A former newspaperman and author of an outdoor column in Montana dailies, Willard was a member of the Governor's committee to recodify Montana fish and game laws from 1953 to 1955, and was the first recipient of the William Carpenter conservation award of the Butte Anglers' Club in 1953.

The Role of the Railroads . . .

Q. Mr. Willard, we have seen several reports from the railroads serving Montana of mineral deposits available in our state for development in industry. Just how extensive is the research program of the railroads and what other areas besides minerals are investigated?

A. Montana railroads have made extensive efforts to obtain information on mineral resources in Montana and to make this information available to prospective industrial users. The Mineral Research and Development Department of the Great Northern Railway, for one, presently is conducting a systematic geological survey along its Billings-Great Falls line and with Pacific Power and Light Company is sponsoring a geological investigation by the Montana Bureau of Mines and Geology in the Kootenai-Flathead area. Data on mineral raw materials has been collected for many years by Great Northern and this road frequently examines individual mineral deposits.

Northern Pacific also has a geology division staffed with nine geologists and one mining engineer. In recent years about half this staff has been assigned to mineral projects in Montana and at present Northern Pacific is making a detailed study of an area in northwestern Montana. During 1959 aerial photographs were taken of this area and a geologic map prepared by photogeological methods. In the 1960 field season the geologists are studying areas which the photogeologic maps indicate may have mineral potential. When this study is complete, NP will release the information to interested parties.

Northern Pacific geologists also have conducted detailed examination and prepared reports on phosphate rock, iron ore and talc in Montana.

Besides mineral investigation, Northern Pacific maintains a large staff of professional foresters who manage the extensive timber holdings of Northern Pacific in western Montana. The timber is managed on a systained-yield basis to assure timber supplies being available into indefinite future. Northern Pacific is cooperating with State and Federal agencies on several research projects leading to better timber management.

The Milwaukee road has a geologist in its Agricultural and Mineral Development Department who will be available for consultation and study of mineral development in Milwaukee territory in Montana.

Q. How does this type of research program help in the development of industry for Montana?

A. Railroads serving Montana believe that research programs are helpful in developing industry. Northern Pacific is convinced that its mineral and timber research helps attract manufacturers to Montana. Information and reports from this research have gone to interested parties and several important industries have located in NP territory as a result of its development program.

Likewise, Great Northern's similar information is widely distributed to industrial and financial interests and detailed data made available to industrial prospects. The programs thus bring the raw material advantages of Montana to the attention of potential industrial users and further stimulate industrial development by Montanans themselves.

Reports by Milwaukee's geologist will be available to all industry. He also will be able to make special custom studies for industries seeking specific information about availability of minerals.

Q. Mr. Willard, we understand the railroads maintain several industrial parks in Montana? What is the function of these parks?

A. The purpose of industrial parks or sites is to provide the maximum needed ground area for industries with proper zoning, water, sewer, power and the best possible railway and highway access. Most metropolitan business and industrial districts have, through the years, become congested with the result that highway and rail access and auto and truck parking are limited and expansion is impossible. Industrial parks provide areas for expanding old and new industries and are tailored to fit the requirements of today and tomorrow.

Q. Do the railroads own much land set aside for industrial parks, and what efforts are being made to find industries to use it?

A. The Northern Pacific Railway Company has large industrial areas established in Billings and Missoula and considerable industrial acreage in major cities such as Butte, Glendive, Helena and Livingston. Industries are solicited by area and national advertising and by personal contact. Great Northern Railway has an excellent industrial development in Great Falls. Milwaukee has acquired land for development as industrial districts at Great Falls and Butte during the last four or five years, totaling about 152 acres. At other Milwaukee points in Montana a total of about 550 acres is available for industrial development.

Q. What sort of national coverage is achieved by the railroads in promotional

material which we have noticed they prepare about our cities?

A. An excellent example of promotional effort by the railroads in Montana is the Great Northern material centered around the industrial potential of Great Falls. This has had a very general national coverage and GN has received a large number of inquiries in regard to the resources adjacent to that community and on the facilities of the city itself. About 30,000 pieces of this were distributed, principally to eastern industrial centers and Pacific Coast industrial areas.

Great Northern also has completed an inventory of community attributes of cities it serves in Montana in excess of 5,000 population.

The NP promotes areas rather than individual cities in its advertising and has contributed in state promotion supplements such as The New York Times publishes. Northern Pacific also publishes information on industrial sites in its magazine THE NORTHWEST, which is distributed to a large number of individuals and companies throughout the United States.

Milwaukee's Industrial Department makes every effort to keep master files of promotional materials about cities served by that road. These are kept in Seattle and Chicago. Industries inquiring about available property in Montana are furnished copies of information which is available.

Union Pacific has national coverage through trade and business magazine advertising to call attention to the availability of Union Pacific personnel at all points to discuss and recommend sites which can be served by that railroad.

Reader's Service

The State Planning Board has embarked upon a program to gather "data sheets" from reliable sources which will present pertinent statistics and information on many of our valuable resources. The Board invites readers to request copies of these sheets, which will be furnished to them as they become available.

front page photos . . .

Top: Chrome plant, Nye. Waldorf-Hoerner Paper Products, Missoula.
Bottom: Nalley's Potato Chip plant, Billings. Oil drilling, Wibaux.

coming . . .

The "Role" series will be continued with—

"The Role of the Individual" by J. M. Cross.

"The Role of Present Industry" by R. C. "Dick" Setterstrom.

"The Role of the Industrial Development Corporation" by Kenneth K. Knight.

this month at the Mitchell Building . . .

. . . Ray B. Olson, formerly of Polson, was appointed to the staff of the Montana Planning Board on August 8th. His work will be in city planning, industrial development and research.

Olson has served as a consulting engineer, real estate broker and specialist in mining and groundwater studies and evaluations. He was formerly with the Marine Corps in WW II and Stanolind Oil and Gas of Casper. He recevied his bachelor's in geology from MSU.

. . . Lydia Blanchard, information officer, resigned from the Planning Board to accompany her husband, Bob. The Blanchards will be in Salt Lake where Bob will be on the Salt Lake Tribune.

. . .Eve Eden was appointed to the position of information officer and will edit INDUSTRIAL HORIZONS, handle research and information.

in the news . . .

A grant of $15,946 was approved for the Great Falls City-County Planning Board by the Housing and Home Finance Agency. Funds will be used for the continued preparation of a comprehensive plan for the growth and development of the Great Falls metropolitan area.

* * *

After 15 months of operation, Treasurelite, Inc., an expanding Great Falls company which makes a light aggregate from shale rock, is shipping to two firms in Spokane.

* * *

Business Week reports that Montana ranks 27th in the nation in its gain (13 per cent) in population between the 1950 census and preliminary 1960 census figures. Business Week says that Montana also has gained 39.8 per cent in monthly per capita personal income in those 10 years. Largest gain in per capita income, according to the magazine, was made in Alabama (103.2 per cent) which gained only 6 per cent in population. Business Week says, "Of the 12 states where per capita income grew 70 per cent or more, nine—led by Alabama—are Southern or border states where population has been declining or growing only slightly but where new opportunities for off-farm jobs have strengthened income."

* * *

A group of 10 to 15 scientists is forming a company in Bozeman for the manufacture of electronics equipment, the Bozeman Daily Chronicle reported recently. The Chronicle quoted Dr. D. K. Weaver, head of the Electronics Research Laboratory, Montana State College, as saying that the company hopes to hire between 100 and 500 persons in the future.

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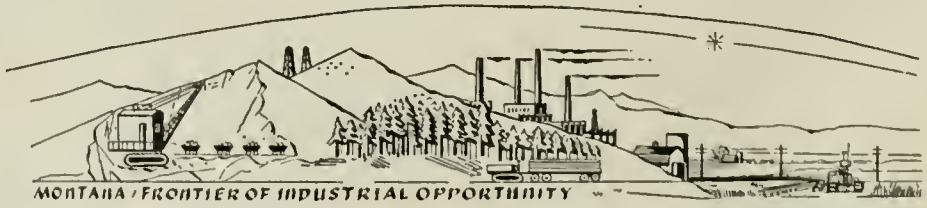

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